

**GOVERNMENT OF INDIA
CORPORATE AFFAIRS
LOK SABHA**

UNSTARRED QUESTION NO:946
ANSWERED ON:17.08.2007
PENDING CASES AGAINST COMPANIES
Baxla Shri Joachim

Will the Minister of CORPORATE AFFAIRS be pleased to state:

- (a) whether the Government has appointed a committee to aid and advice in cases pending against a large number of companies;
- (b) if so, the details thereof;
- (c) whether any terms of reference have been drawn up in this regard;
- (d) if so, the details thereof; and
- (e) the extent to which it is likely to help in reducing the cases of the courts?

Answer

THE MINISTER OF CORPORATE AFFAIRS (SHRI PREM CHAND GUPTA)

(a)& (b) Yes, Sir. The Government had constituted an Expert Group headed by Shri O.P. Vaish, Senior Advocate on streamlining Prosecution Mechanism under the Companies Act, 1956 on May 5,2005.

(c)&(d) Yes, Sir. The following terms of references had been drawn up:-

(i) Identification of broad categories of offences for which cases filed for violation of Companies Act, 1956, are pending and the period thereof;

(ii) The reasons of excessive pendency where relevant;

(iii) Review of the steps taken in the past to expedite disposal of these cases, their outcome and the constraints;

(iv) Identifying ways and means through which disposal of these cases could be expedited;

(v) Ways and means for expeditious disposal of cases of purely technical nature and workable mechanism to enable this in a definite timeframe.

(e) The Government has received the Report of the committee which has been examined and instructions issued to the field offices of the Ministry for follow up of cases filed in relevant courts as per provisions of law. It is expected that such follow up would enable expeditious disposal of the cases in question.